



Senate

General Assembly

File No. 70

January Session, 2005

Senate Bill No. 158

Senate, March 30, 2005

The Committee on Banks reported through SEN. FINCH of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING DISCLOSURE OF CUSTOMER FINANCIAL RECORDS BY A FINANCIAL INSTITUTION PURSUANT TO A SUBPOENA.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 36a-43 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2005*):

4 (b) A customer of a financial institution shall have standing to
5 challenge a subpoena of the customer's financial records, by filing an
6 application or motion to quash in a court of competent jurisdiction,
7 [within the ten-day notice period required by subsection (a) of this
8 section.] Upon the filing of such application or motion by the
9 customer, and service of such application or motion upon the financial
10 institution and the person issuing the subpoena, production of the
11 records shall be stayed, without liability to the financial institution,
12 until the court holds a hearing on the motion or application and an

- 13 order is entered sustaining, modifying or quashing the subpoena.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2005</i>	36a-43(b)
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BA *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Judicial Dept.	GF - None	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill permits any customer of a financial institution to challenge a subpoena of the customer's financial records at any time, rather than wait until ten days prior to actual disclosure of said information which existing law requires. This statutory change is not expected to substantially alter the overall number of applications or motions filed challenging subpoenas of financial records. Consequently, there is no associated fiscal impact.

OLR Bill Analysis

SB 158

AN ACT CONCERNING DISCLOSURE OF CUSTOMER FINANCIAL RECORDS BY A FINANCIAL INSTITUTION PURSUANT TO A SUBPOENA**SUMMARY:**

This bill allows financial institution customers to attempt to quash a subpoena of their financial records anytime after being served with the subpoena instead of waiting until 10 days before the requested disclosure date.

EFFECTIVE DATE: October 1, 2005

SUBPOENA PROCEDURE

A financial institution must disclose a customer's financial records pursuant to a lawful subpoena if the party seeking the record serves the customer with a copy of the subpoena at any time as long as it is at least 10 days before the date the records are supposed to be disclosed. A customer has standing to challenge a subpoena by a filing an application or motion to quash the subpoena in court within the 10-day period before the disclosure date. This bill removes the time frame, allowing the customer to challenge the subpoena at any time.

A "financial institution" is a bank, Connecticut or federal credit union, or an out-of-state bank or credit union that has a branch or office in Connecticut.

COMMITTEE ACTION

Banks Committee

Joint Favorable Report

Yea 18 Nay 0